

THE DONLEY

**REHABILITATION
CENTER**

249 Blackstone Boulevard
Providence Rhode Island

ANNUAL REPORT 2003

INTRODUCTION



The Donley Rehabilitation Center is a unit within the Rhode Island Department of Labor and Training. It is established under Section 28-38-19 of the Rhode Island Workers Compensation Act.

The Donley Center provides a comprehensive group of rehabilitation services that extend well beyond simple physical reconditioning. Our services provide physical and occupational therapy, aquatic therapy, ergonomic work site visits, vocational services, psychological counseling, medical clearance/evaluations and case management. Treatment at the Donley Center is rendered upon receiving a referral from the attending physician. All of the Donley Center's services are provided without cost to injured workers.

The chronic population continues to be the group from which the highest numbers of patients are referred to the Donley Center. 82% percent of patients admitted in 2003 had injuries over three months in duration. This group within the workers compensation system represents the most costly group, since they are responsible for the majority of the system's indemnity and medical expenses. Our patients need a setting that will allow a comprehensive overview of recovery and is grounded in the rehabilitation model.

The Donley Center has served the injured worker population for 55 years and has been able to collect and analyze the effectiveness of different approaches for treating this population.

This annual report covers the period of January 1, 2003 through December 31, 2003

WELCOME

I am once again happy to present the Annual Report for the Dr. John E. Donley Rehabilitation Center. This report presents data summarizing the utilization and outcomes of our services, and extrapolates how this impacts cost in the RI Worker's Compensation System.

Highlights:

The Donley Center continues to be utilized to treat the most costly population in the Worker's Compensation System. The vast majority of clients enter our doors with delayed recovery, chronic pain, failed rehabilitation attempts and frequently other psychosocial issues. 82% of our patients have been out of work for over 3 months and have had multiple treatment interventions. 64% have been out of work over 6 months; 40% having been out of work over one year.

You will notice in the graph section of this report that we have an increase in physician requests for functional capacity evaluation and psychological/comprehensive pain management programs. These areas have become our specialties and are essential for overcoming barriers and gaining insight into our patients' abilities. You will notice in our outcome graph that in 2003 we reached an all time high for return to work levels achieved.

A continued priority is our response to request by court decree for evaluation and treatment options for injured workers locked in the litigation process. 16% of our admissions in 2003 were referred by the Worker's Compensation Court. 67% of those cases were for evaluation only in which the court relies on our recommendations for treatment and attainable levels. The remainder of the court referrals were for rehabilitative services. 77% of the cases admitted for services, which completed the program, either returned to work or reached a Return to Work level.

The vocational department continues to collaborate with the Institute of Labor Studies, Network Rhode Island, Office of Rehabilitation Services, University of Rhode Island Testing Center and Goodwill Industries in our effort to bring our clients the preparation necessary to secure employment that will move them forward toward a return to gainful employment. The vocational resource room offers in-house typing tutorial programs, GED test preparation, resume development and weekly job club meetings. In 2003, 81% of vocational clients returned to work, our highest ever success rate. This is a 14% gain from 2002.

Finally, in 2003 we laid the foundation for increasing utilization of the Donley Center by the minority community by providing Center resources that more effectively accommodate this population. In collaboration with the Institute of Labor Studies, we offer an orientation for new Spanish speaking patients entering the center. Our vocational department offers job preparation workshops and a job club led in Spanish. In addition, we added a "Pain Management" workshop facilitated by a Spanish Counselor.

A Message:

As we all know, a challenge for the Worker's Compensation System is to contain costs without sacrificing the quality of care delivered to injured workers. This is particularly complex when the cost of medical care is growing at an annual rate of 11% (National Council on Compensation

Insurance) with no expectation that this trend will ease any time soon. Additionally, it has been recognized that a small percentage of the total number of injured workers account for the majority of the cost. In RI, 85-90% of those with lost time injuries return to work within 3 months. This leads us to believe that only 10 to 15% of R.I. injured workers affect most of the cost to the system.

How cost affects health care can only be assessed if variables related to health care are monitored. Historically, this has not been a focus of worker's compensation systems. National organizations, such as the Robert Wood Johnson Foundation's Institute, and the American Accreditation Health Care Commission have focused on this issue in recent years through identification measurement and reporting of health care quality indicators in Worker's Compensation. Their work has stressed the importance of getting the right care at the right time, with good patient satisfaction and with specific focus on return to work. Physicians have increasingly realized this is particularly true for the population who have the more chronic/complex problems. The Donley Center remains committed to reporting relevant rehabilitation data and working with the Department of Labor and Training's Technical Resource Center to report broader data on the quality of health care in the RI Worker's Compensation system.

2004 Goals:

In an effort to continue to improve communication to both the professional community and Donley Center clientele, we are planning a major redesign of our internet website. Utilizing internal staff expertise and resources, our plan involves an overall reconstruction of the current website including a new upgraded theme and layout. Our goal is to review and update all information and content while also improving functionality for our visitors, guests, and clients. An immediate goal is to provide all web content in both English and Spanish to maintain our "reach-out" commitment toward the non-English speaking community. Looking forward, we anticipate even further growth of the website as a compliment the Donley Center services by developing tools which will allow functions such as: dissemination of news letters, on-line satisfaction surveys, and program registration. We are confident that this effort will assist the Donley Center to continue to improve its service to the injured worker's of Rhode Island.

Throughout this report, you will see achievements of the past year. I am confident that the Donley Center staff continues to maintain the level of expertise necessary to face the challenges in treating chronic injuries. We strive to meet the needs of Rhode Island injured workers and contribute to the Rhode Island Worker's Compensation System by offering professional and insightful evaluations and rehabilitative programs.

Respectively Submitted,

Kathleen Sohar

Director of Patient Care Services

ADMINISTRATIVE STAFF

Jean Severance	Associate Director, Division of Workers Compensation, Department of Labor and Training
Kathy Sohar, RN, BS, CCM	Director of Patient Care Services
Susan Rand, PT	Chief Physical Therapist
Joanne Fowler, Ph.D.	Manager of Psychological Services
Cindy Baldwin, MA, CRC, QRC	Manager of Vocational Services
Vincent Pera, M.D., D.A.B.D.A.	Director of Medical Services
Brittan K Bates, MS	Office Manager

DATA SUMMARY

The following pages of this report provide detailed information and graphic representation of Center admissions, outcomes, and impact savings.

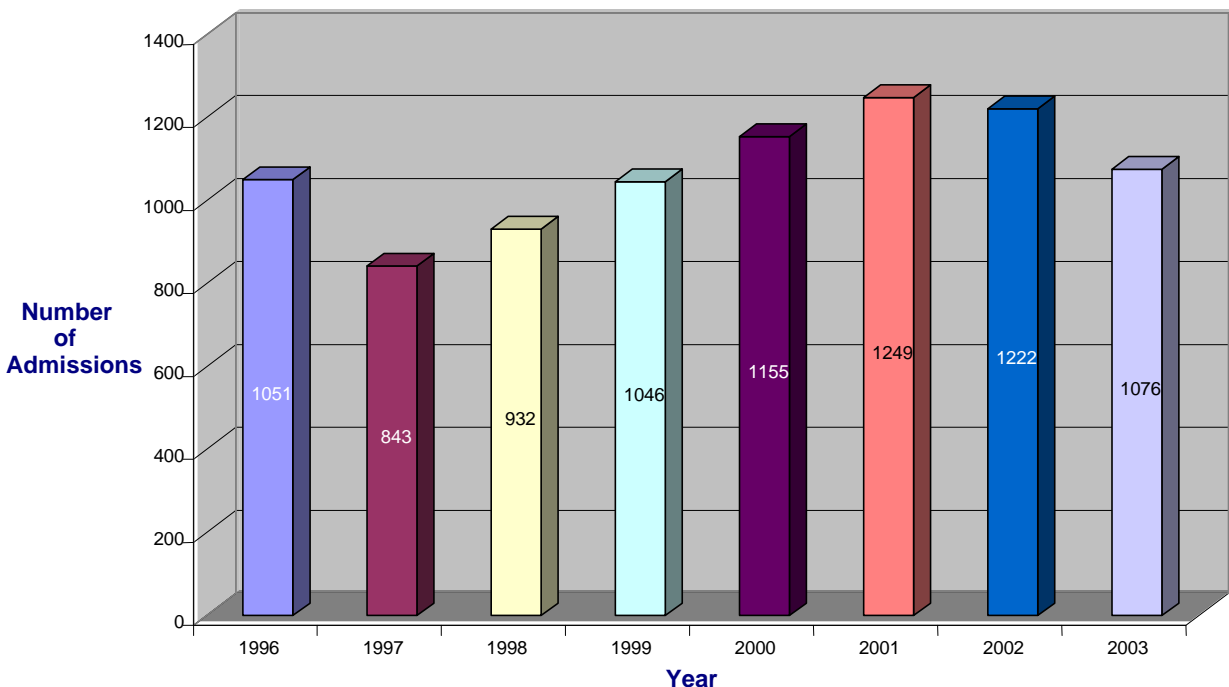
GRAPH 1:	TOTAL NUMBER OF ADMISSIONS PER YEAR
GRAPH 2:	ADMISSIONS BY REFERRAL SOURCE
GRAPH 3:	ADMISSIONS BY CASE TYPE
GRAPH 4:	RETURN TO WORK DISCHARGES
GRAPH 5:	NON-RETURN TO WORK DISCHARGES
GRAPH 6:	RETURN TO WORK OUTCOMES AFTER PROGRAM COMPLETION
GRAPH 7:	ESTIMATED SAVINGS REPORT

ADMISSIONS

The following three graphs illustrate “admissions” data for the Center over the past eight years. Graph 1 includes information on total Center admissions to date and Graph 2 provides detailed information on referral sources. Graph 3 discussed the “types” of referrals seen by the Center.

Total Number of Admissions, 1996-2003

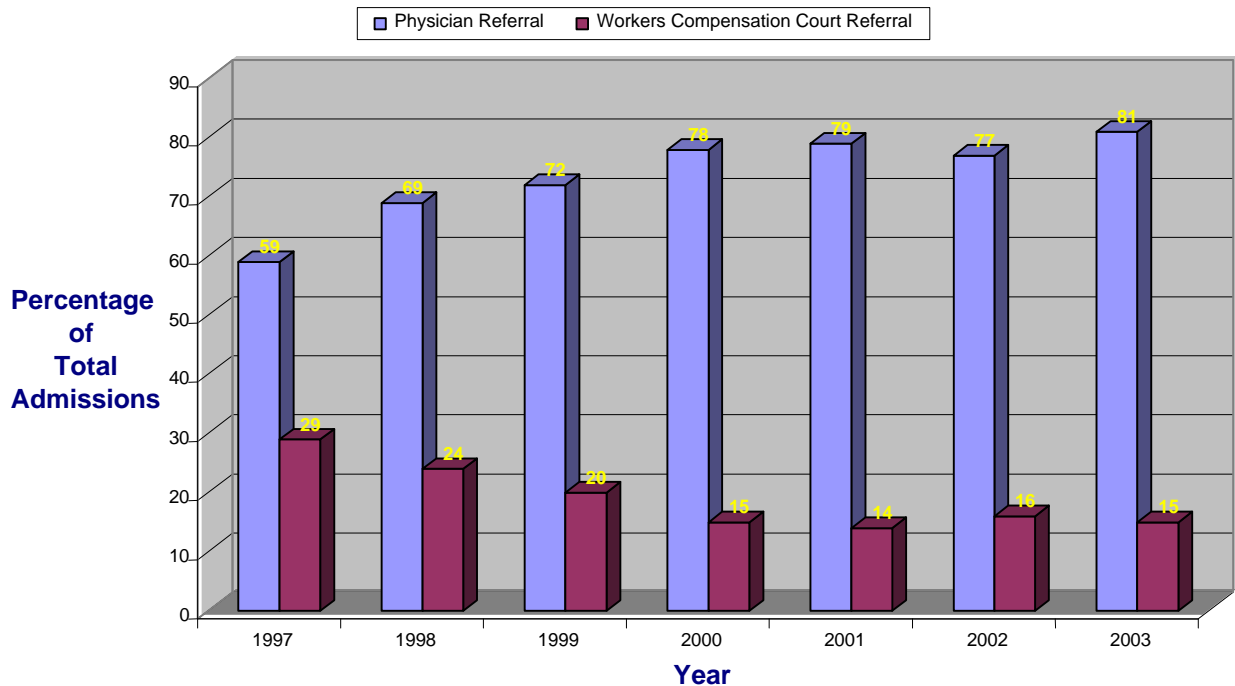
Donley Rehabilitation



Graph 1

Graph 1 indicates that total admissions for the Center in 2003 has dropped approximately 10% when compared to the record high admissions set in 2001. As previously noted, the URI satellite campus closed early in 2002. This, along with a statewide drop in workers’ compensation claims in 2003, may account for this small drop in Donley Center admissions.

Patient Referral
Physician vs. Workers Compensation Court, 1997 -
Donley Rehabilitation

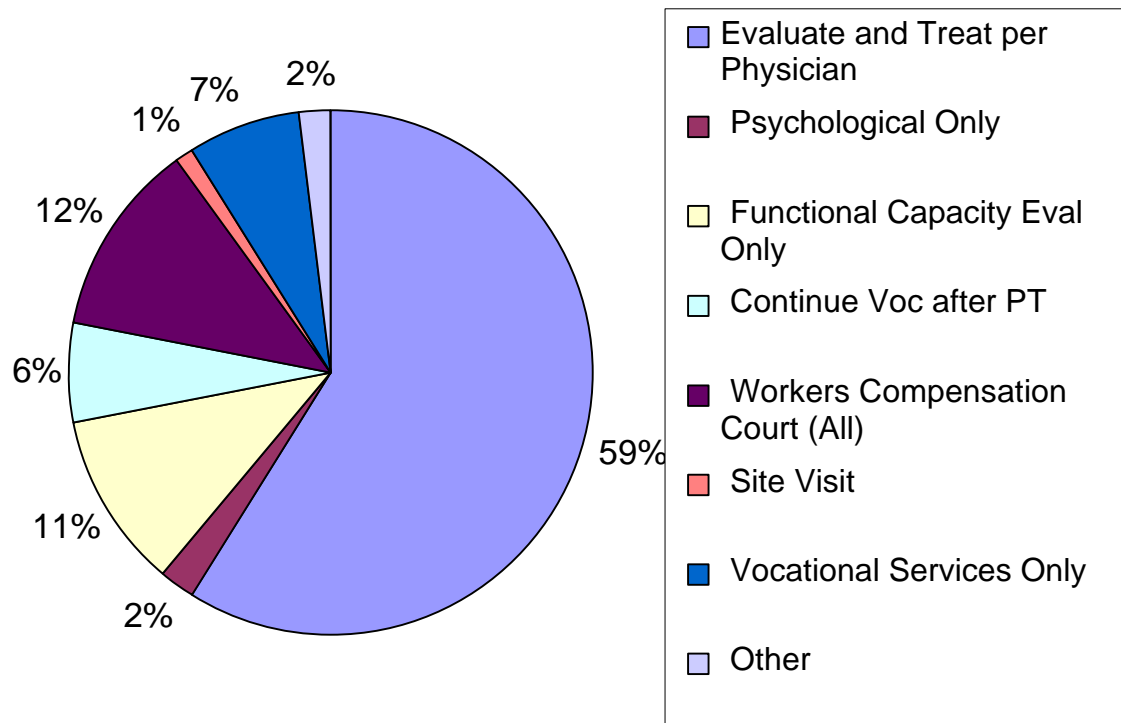


Graph 2

Graph 2 depicts total Donley Center’s admissions by referral type including “Physician”, and “Workers’ Compensation Court”. As noted in the graph, referrals from the Physician community have risen since 1997 and are still on the rise with 81% of total referrals in 2003, an increase from last year and the highest physician referral rate ever recorded at the Donley Center. The noted increase in physician total referrals has also been accompanied by an increase in the number of individual physicians utilizing the Center. In 2003, over 200 individual physicians referred patients to the Center indicating a growing confidence and satisfaction among the physician community. Total percentage of Workers Compensation Court referrals has remained stable since the year 2000.

Admissions by Case Type, 2003

Donley Rehabilitation

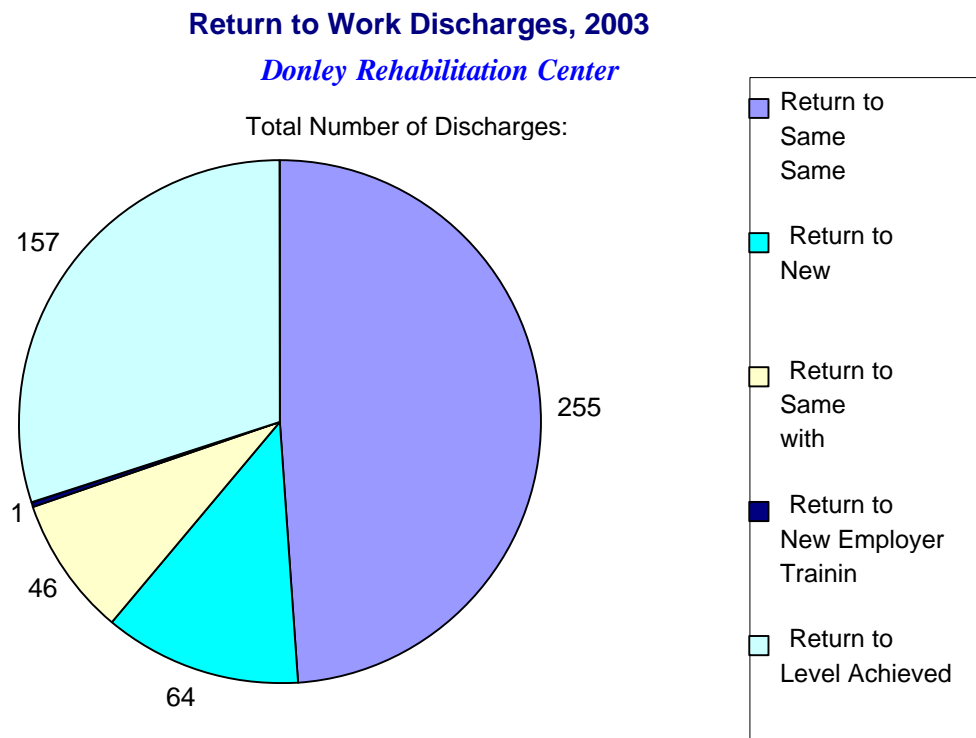


Graph 3

Graph 3 provides a breakdown of Donley admissions by “referral type”. These categories represent the diverse mix of treatment and rehabilitation services offered by the Donley Center. Referral by physicians for “Evaluation and Treat” constituted the largest category with 59% of all admissions. Referrals for the Workers Compensation Court were second at 12% and included such services as: evaluations, physical therapy, work hardening, vocational services or commutation evaluation. A total of 11% of referrals were for Functional Capacity Evaluations (FCE), 7% were for “Vocational Services Only” while 2% were spread across “Site Visit” and “Other” categories.

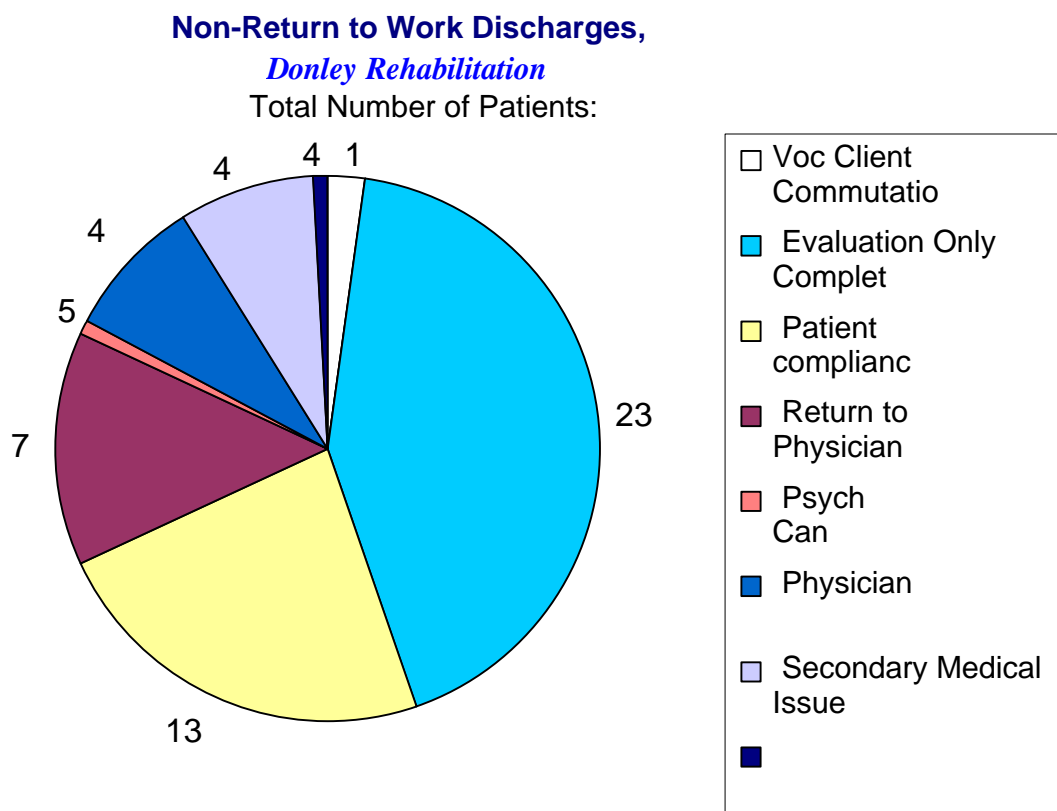
OUTCOMES

The following two graphs illustrate outcome data for the Center. The focus of our outcome statistics remains the Return-to-Work (RTW) rate. Graph 4 includes information on patient achieving a successful RTW and/or achieving a RTW functional level. Graph 5 provides detailed information on patients discharged from the Center with a Non-RTW status.



Graph 4

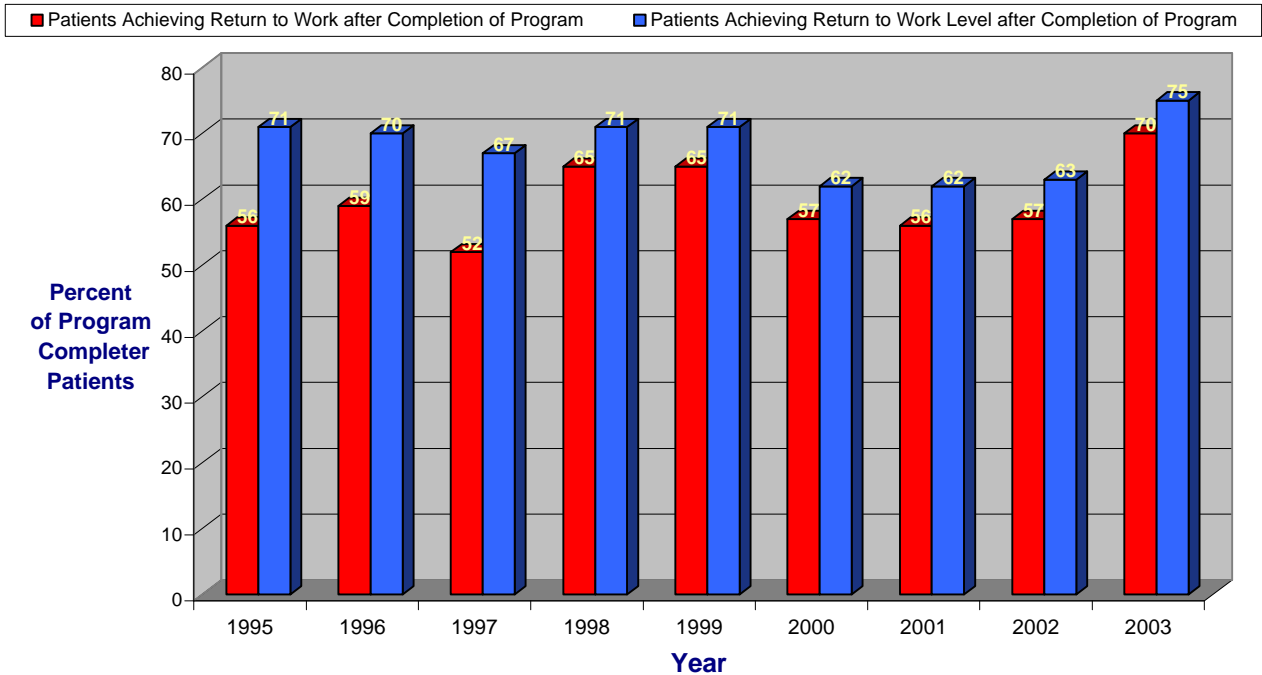
Graph 4 shows RTW discharges for 2003. The Donley Center achieved an historic high of 523 total return to work level discharges topping last year's high of 478, despite slightly lower total admissions compared to last year. 255 patients returned to the same job with the same employer or a total of 49%. 64 patients returned to work at a new employer, while 46 patients returned to work with restrictions. An additional 157 patients achieved a functional level consistent with RTW. Despite the fact that 84% of patients are considered therapeutically "chronic" at time of referral, 75% of Center patients who completed a treatment program achieved a RTW level and 70% returned to work. For 2003, the percentage of patients achieving return to work level and the percentage achieving return to work are the highest ever in Donley Center history.



Graph 5

Graph 5 provides data on Non-RTW discharges from the Center. Of the 556 patients discharged with a Non-RTW status, a total of 42% were admitted for “Evaluation Only” by their physician or the Workers’ Compensation court. A total of 46 patients or 8% were discharged due to secondary medical issues such as hypertension, or other medical disorders unrelated to their work injury. Many of the patients discharged within this subgroup returned to their referring physician for further evaluation and/or medical treatment and diagnosis.

Return to Work Outcome, 1995 - 2003
Donley Rehabilitation Center



Graph 6

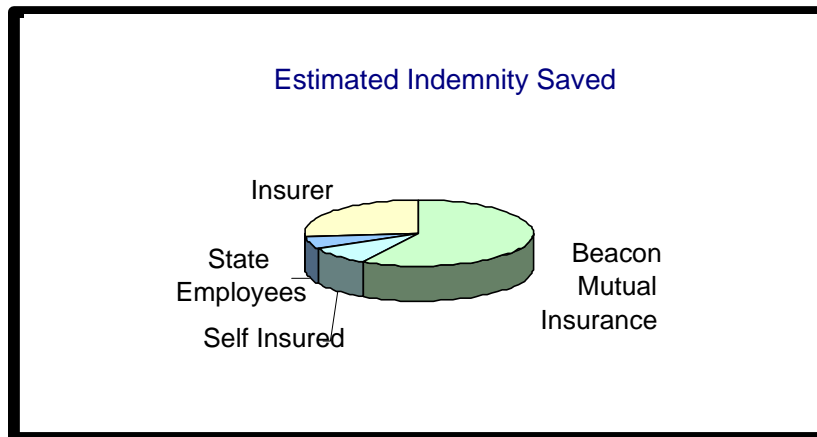
Graphic 6 In 2003, 70% of Donley Center patients who completed their rehabilitation program returned to work and 75% achieved a functional level that would allow them to return to work. This represents a Donley Center all time high for both categories and an increase of 23% over the previous year for the percentage of patients returning to work after treatment. This very significant improvement is likely related to this year's implementation of innovative new workshops and programs aimed at improving the patient's rehabilitation experience and at improving our treatment outcomes. We also acknowledge our comprehensive, multidisciplinary approach and the efforts of our dedicated treatment team in achieving these excellent patient outcome results.

IMPACT REPORT

ESTIMATED SAVINGS REPORT 2003

Type of Insurer	Number of Chronic Injured Workers Returned to Work	Estimated Weeks of Indemnity Saved	Estimated Amount of Indemnity Saved
Beacon Mutual Insurance Co.	157	40,004	\$19,142,363
Self Insured	26	6,192	\$2,962,780
State Employees	16	4,119	\$1,970,946
Group Self Insured	1	149	\$71,504
Insurers	75	18,312	\$8,762,824
Total	275*	68,776	\$32,910,417

* This number represents only the chronic (most expensive) RTW population and not the total RTW population.



Graph 7

Graphic 7 reports the estimated financial impact on the overall Workers' Compensation in the State of Rhode Island as measured by indemnity dollars saved. This report subtracts the Return to Work date from the date of the "312-Week Gate". The amount of indemnity that would have been paid has been calculated using the unemployment insurance average weekly wage for CY 2001 (\$638.00). Therefore, it is estimated that the services rendered by the Donley Rehabilitation Center provide a savings of close to Thirty-three Million dollars. This graph depicts the largest savings potential with Beacon Mutual Insurance Company of approximately Nineteen Million dollars, an increase of Five Million dollars saved over last year.

END REPORT